

2007

ANNUAL REPORT



MISSOURI WINE AND GRAPE BOARD

Annual Report of the Missouri Wine and Grape Board

Executive Summary

The Missouri Wine and Grape Board was created by the Missouri General Assembly in 2004 as an independent political and corporate body of the state of Missouri (Missouri statute 262.820). Prior to this date, the Board existed in advisory form, with members appointed by the Director of Agriculture in the early 1980's. The purpose of the Board is to further the growth and economic development of the grape growing industry in the state of Missouri.

The Wine and Grape Board is responsible for researching, developing and promoting Missouri grapes, juices and wine. The Board is funded by the collection of a statewide tax imposed on all wine sold in Missouri at the rate of 12 cents per gallon. These funds support the program's three sections: enology and viticulture advisory services, research and promotion and marketing. Program expenditures provide:

- Professional advice to Missouri grape growers and wine makers
- Applied research for developing grape varieties and cold hardiness studies
- Consumer education to increase awareness of Missouri grapes and wine industry

The Board is governed by a bipartisan commission whose eleven members are appointed by the governor with the consent of the Senate. The director of the Department of Agriculture also serves as an ex-officio member. Members serve a four-year term, but can serve no more than two consecutive four-year terms. A member may, however, after serving two consecutive four-year terms and retiring for a minimum of one full year, be eligible for reappointment to the Board. Business is conducted through bi-monthly Board meetings or conference calls. Special meetings are held as needed.

The Board elects their own officers and has the authority to appoint staff. Tim Puchta was elected to serve as chairman, Jon Held as vice-chairman, Cara Stauffer as marketing chairwoman, Tony Kooyumjian as research chairman and Jim Anderson is currently serving as executive director.

During the 93rd General Assembly, 2nd Regular Session several provisions relating to liquor control and benefiting Missouri's wineries passed. Senate Bill 299 will help the Missouri Wine and Grape industry expand its efforts in agro-tourism and value-added crops:

- The bill allows a wine manufacturer to ship up to two cases of wine per month directly to a Missouri resident who is at least twenty-one years of age for personal use.
- The bill allows licensed wine manufacturers who allow consumption of wine on their premises to open on Sundays at 9:00 a.m. instead of 11:00 a.m.
- The bill allows wineries to provide or pour wine samples for customer tasting purposes on any temporary licensed retail premise.

PROGRAM SUMMARY

The purpose of the Missouri Wine and Grape Board is to have the Missouri wine and grape industry recognized as a pre-eminent producer of profitable premium wines in the Midwest.

Missouri wineries continue to refine their grape growing and winemaking skills to offer distinctive, quality wines. The Wine and Grape Board sponsor research at the Institute for Continental Climate Viticulture & Enology (IVVCE) center, where the quest for better, hardier grapevines is ongoing. Currently, Missouri has 74 wineries, more than 1,350 acres of grapes and produces more than 352,000 cases of wine sold.

Following is a description of activities for the various programs offered by the Board.

Marketing

The marketing committee is responsible for promoting Missouri wineries and Missouri wines as entertainment, education, tourism (Missouri is ranked 3rd as a wine tourism leader) and lifestyle. Methods of reaching our target market have been conducted through sponsorships to expand the wine culture, grass roots tastings, trade shows, wine 101 classes, conducting classes at the universities and colleges, print advertising and media.

Research

The Research Committee is responsible for programs covering research extension, education, and service in the areas of viticulture and enology. These efforts are mainly conducted through a unique partnership between the University of Missouri and the Wine and Grape Board. This partnership is primarily served through the Institute for Continental Climate Viticulture and Enology. In addition, collaborative projects are conducted with other institutions in state and out of state.

Board Members

Don Steen, Director of Agriculture
Eldon, Missouri
Term: 7/08

Mr. Tim Puchta, Chairman
Hermann, Missouri
President, Missouri Vintners Assoc.

Jon Held, Vice Chairman
Hermann, Missouri
Term: 11/13/2007 to 10/28/2011

Bryan Siddle
Sainte Genevieve, Missouri
President, MO Grape Growers' Assoc.
Term: 2/01/2007

Matt Kirby
Higbee, Missouri
Term: 4/2008 to 10/2010

Cory Bomgaars
Rocheport, Missouri
Term: 8/01/2005 to 10/28/2008

Elaine Mooney
Sainte Genevieve, Missouri
Term: 8/01/2005 to 10/28/2008

Katie Gill
Steelville, Missouri
Term: 8/28/2005 to 10/28/2008

Tony Kooyumjian, Research Chairman
Augusta, Missouri
Term: 8/01/2005 to 10/28/2008

Barbara Gibbs Ostmann
Gerald, Missouri
Term: 11/13/2007 to 10/28/2011

Staff

Jim Anderson
Executive Director

Danene Beedle
Marketing Specialist

Sue Berendzen
Executive Assistant

\$701.2 Million

Full-Time Equivalent Jobs	6,186
Wages Paid	\$150.0 million
Winery Revenue	\$30.6 million
Cases Sold	352,000
Retail Value of Missouri Wine	\$51.0 million
Crop Size	2,800 tons
Vineyard Revenue	\$2.3 million
Number of Wineries	74
Number of Commercial Growers	200
Grape-Bearing Acres	1,350
Wine-Related Tourism Expenditures	\$202.8 million
Number of Wine-Related Tourists	812,000
Taxes Paid (state and local)/Federal	\$39.4/\$28.9 million

*MKF Research LLC

MKF created projections based on growth in the actual number of wineries, data on new winery production levels and existing winery production growth, as well as tourism trends.

Wineries by City

Altenburg

- 63 - Tower Rock Winery

Augusta

- 2 - Augusta Winery
- 3 - Louis P. Balducci Vineyards
- 38 - Montelle Winery
- 40 - Mount Pleasant Winery

Berger

- 5 - Bias Vineyards & Winery

Billings

- 34 - LeCave Vineyards

Bland

- 68 - Wenwood Farm Winery

Branson

- 55 - Stone Hill Winery-Branson

Brazeau

- 27 - Hemman Winery

Carthage

- 71 - White Rose Winery

Clarksville

- 20 - Crown Valley Port House

Cole Camp

- 23 - Eichenberg Winery

Columbia

- B - Institute for Continental Climate Viticulture & Enology

Commerce

- 48 - River Ridge Winery

Defiance

- 59 - Sugar Creek Winery & Vineyards

Dover

- 62 - Terre Beau Vineyards

Dutzwow

- 6 - Blumenhof Vineyards

Eureka

- 15 - Claverach Farm & Vineyards

Farmington

- 19 - Crown Valley Champagne House
- 64 - Twins Oaks Vineyard & Winery

Fredericktown

- 65 - Vance Vineyard & Winery

Hartsburg

- 60 - Summit Lake Winery

Hermann

- 1 - Adam Puchta Winery
- 28 - Hermannhof Winery
- 43 - Oak Glenn Vineyards & Winery
- 56 - Stone Hill Winery-Hermann

Higbee

- 16 - The Cooper's Oak Winery

Hillsboro

- 66 - Villa Antonio Winery

Holts Summit

- 61 - Summit Lake Winery

Jefferson City

- A - Wine and Grape Board
- 41 - Native Stone Winery & Bull Rock Brewery

Kansas City

- 30 - Inland Sea Wines

Knob Noster

- 9 - Bristle Ridge Vineyards & Winery
- 39 - Montserrat Vineyards

Lee's Summit

- 58 - Stonehaus Farms Winery

Lone Jack

- 11 - Bynum Winery

Louisiana

- 22 - The Eagle's Nest Winery

Marquand

- 21 - Durso Hills

Monroe City

- 29 - Indian Creek Winery

Mount Vernon

- 72 - Williams Creek Winery

New Haven

- 7 - Bommarito Estate Almond Tree Winery
- 50 - Röbller Vineyard Winery

New Florence

- 57 - Stone Hill Winery-New Florence

Oronogo

- 32 - Keltai Vineyard

Owensville

- 46 - Phoenix Winery & Vineyards

Park Hills

- 53 - St. Francois Vineyards

Platte City

- 31 - Jowler Creek Winery

Poplar Bluff

- 8 - Bonanza Spring Winery

Rocheport

- 35 - Les Bourgeois Winery & Vineyards

Springfield

- 44 - OOVVDA Winery

Seymour

- 70 - Whispering Oaks Winery

St. Charles

- 36 - Little Hills Winery & Restaurant

Ste. Genevieve

- 12 - Cave Vineyard
- 13 - Charleville Vineyards
- 14 - Chaumette Vineyards & Winery
- 18 - Crown Valley Winery
- 52 - Sainte Genevieve Winery

St. James

- 24 - Ferrigno Winery
- 26 - Heinrichshaus Vineyard & Winery
- 37 - Meramec Vineyards
- 54 - St. James Winery

St. Louis

- 17 - Cópia Urban Winery & Market

Steelville

- 45 - Peaceful Bend Vineyard

Stover

- 10 - Buffalo Creek Vineyard & Winery
- 25 - Grey Bear Vineyards & Winery

Sugar Creek

- 67 - VinoGrad Winery

Warrenton

- 51 - Rolling Meadows Vineyards

Washington

- 33 - La Dolce Vita Vineyard & Winery

Waverly

- 4 - Baltimore Bend Vineyard

Wellington

- 42 - New Oak Vineyards

Weston

- 47 - Pirtle Winery
- 49 - Riverwood Winery

Westphalia

- 69 - Westphalia Vineyards



Wine Tax Comparison

Month	FY2003	FY2004	FY2005	FY2006	FY2007
July	43,404.95	90,197.16	87,361.58	98,926.55	104,435.04
August	36,635.26	78,415.98	88,397.13	79,014.56	88,163.77
September	43,556.89	96,205.61	101,354.23	111,437.91	127,850.17
October	87,431.09	90,477.08	87,369.93	102,825.89	94,065.70
November	112,551.98	122,134.98	117,865.21	122,395.70	121,513.39
December	101,319.12	96,730.83	125,823.34	133,896.09	139,093.40
January	87,427.50	91,346.44	95,228.61	91,250.65	91,266.90
February	70,140.71	81,093.82	73,279.23	84,003.50	89,347.99
March	95,159.94	84,066.98	84,683.86	101,697.69	112,332.52
April	87,902.84	94,264.90	91,614.52	101,709.06	104,011.69
May	94,392.43	90,489.59	83,628.99	85,235.96	97,141.47
June	102,337.40	98,644.43	97,511.98	116,375.03	116,829.88
	962,260.11	1,114,067.80	1,134,118.61	1,228,768.59	1,286,051.92

Missouri Wine and Grape Board
Statement of Assets and Net Assets – Cash Basis
June 30, 2007

ASSETS

CURRENT ASSETS:

Pooled cash – State of Missouri, Missouri Department of Agriculture	
Marketing Fund 0683	\$
Research Development Tax 0683	\$414,544.88
Marketing Fund 0787	\$605,453.48
Research Development 0787	\$653,530.64
TOTAL ASSETS POOLED CASH	\$1,677,251.41

NET ASSETS

NET ASSETS:

Marketing Fund 0683	\$	3,722.41
Marketing Fund 0683	\$	605,453.48
Total Marketing Fund	\$	609,175.89
Research Fund 0683	\$	414,544.88
Research Fund 0787	\$	653,530.64
Total Research Fund		\$1,068,075.52
TOTAL NET ASSETS		\$1,677,251.41

**Missouri Wine and Grape Board
Statement of Receipts, Functional Expenditures and
Changes in Net Assets – Cash Basis
For The Year Ended June 30, 2007**

RECEIPTS

Wine tax – Marketing	\$ 643,026.31
Wine tax – Research	\$ 643,025.61
Miscellaneous	\$ 10,597.22
Total support and revenues	\$1,286,051.92

FUNCTIONAL EXPENDITURES

Administrative	\$ 301,155.69
Professional service – Marketing	\$ 328,441.45
Professional service – Research	\$ 381,234.54
Total Expenses	\$1,010,831.68